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THE CATHOLICITY OF THE MIDDLE CLASS: REFLECTIONS ON *CARITAS IN VERITATE*

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[L]abor unions . . . have always been encouraged and supported by the Church.

— Pope Benedict XVI¹

INTRODUCTION

How important is *Caritas in Veritate* (“Charity in Truth”), Pope Benedict’s most recent encyclical issued on the Solemnity of the Apostles of Sts. Peter and Paul, June 29, 2009?² Important enough for the Pope to give it to President Obama during their meeting at the Vatican on July 10, 2009.³ It is perhaps the Church’s greatest pro-labor encyclical, and it is certainly the encyclical most conscious of the global dimensions of the contemporary human condition. In the wisdom of the encyclical may lie the seeds for the stabilization of both the middle class and of the broader economic order based on the principle of the common good.

The “rise” and the “fall” of the “middle class” are certainly factual economic, social, and political realities. But they are also human perceptions about what is an essentially mythological capitalist construct—the

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1. Pope Benedict XVI, *Caritas in Veritate: Encyclical of Pope Benedict XVI on Integral Human Development in Charity and Truth* (June 29, 2009) [hereinafter Benedict, *Caritas*].

2. *Id.* Pope Benedict wrote two previous encyclicals. See Pope Benedict XVI, *Deus Caritas Est: Encyclical of Pope Benedict XVI on God is Love* (Dec. 25, 2005), and Pope Benedict XVI, *Spe Salvi: Encyclical of Pope Benedict XVI on In Hope We Were Saved* (Nov. 30, 2007).

3. Pope Benedict gave President Obama “a mosaic depicting Saint Peter’s Basilica, a leather-bound and signed copy of ‘Caritas in Veritate,’ and a copy of ‘Dignitas Personae,’” Peter Baker & Rachel Donadio, *Obama Wins More Food Aid But Presses African Nations On Corruption*, N.Y. TIMES, July 11, 2009, at A4.

"middle class." To become a member of the middle class is above the first few rungs on the way to achieve the American dream. Reaching those rungs, however, has become increasingly difficult.

The "Great Recession" has taken an enormous, devastating toll—to the point of totally undermining—on the economic, health, and retirement security of the industrial middle class.⁴ However, this represents only one part of the middle class's broader unraveling, which has occurred in tandem with a steady deterioration in the number and percentage of union-represented workers, especially in the private sector, for more than 30 years.⁵ Despite the importance of a robust organized labor movement for the well-being of the entire country, in January 2010, for the first time ever, there were more union-represented employees working for the local, county, state, and federal governments than in the private sector.⁶ The result is that the supermajority of the population identifies itself as middle class⁷ in an era where the \$9-per-hour, non-unionized worker at Wal-Mart is seemingly ubiquitous, and the \$30-per-hour union-represented auto worker is a relic, an artifact, a curiosity from virtual antiquity. The middle class is increasingly acquiescing in this redefinition.

We submit that the now-vanishing economic security of the middle class was made possible only by the collectively bargained achievements of organized labor in the mid-twentieth century. Once the spinal cord of the middle class—union-represented industrial elite manufacturing sector workers—is significantly weakened, it will likewise suffer serious structural debilitation, similar to that experienced during the recent economic turmoil. In fact, this symposium issue could just as well be titled "The Rise and Fall of Organized Labor."⁸

We also submit that throughout the rise and fall of the middle class—from the nineteenth century Industrial Revolution through the post-manufacturing economy of the early twenty-first century—the Catholic Church's social teaching on the rights and dignity of workers and of work has advocated, and continues to advocate, for social justice

4. Cf. RICHARD A. POSNER, *THE CRISIS OF CAPITALIST DEMOCRACY* (2010).

5. The first year the Bureau of Labor Statistics started gathering unionized workforce statistics was in 1983. In that year, the total percent of the unionized workforce was 20.1%. From that point, the total percent of the unionized workforce steadily declined to 12.1% in 2007, with a slight rise to 12.4% in 2008. See Press Release, U.S. Dep't of Labor, *Union Members—2009*, (Jan. 22, 2010), available at <http://www.bls.gov/news.release/union2.nr0.htm>. See also Michael Wachter, *The Rise and Decline of Unions*, REGULATION, Summer 2007, at 23, available at <http://www.cato.org/pubs/regulation/regv30n2/v30n2-2.pdf>.

6. Press Release, U.S. Dep't of Labor, *supra* note 5.

7. See Chris Baker, *What is Middle Class?*, WASH. TIMES, Nov. 30, 2009, at A1.

8. See generally DAVID MONTGOMERY, *THE FALL OF THE HOUSE OF LABOR: THE WORKPLACE, THE STATE, AND AMERICAN LABOR ACTIVISM, 1865–1925* (1987).

and, most essentially, for human dignity.⁹ Perhaps it is the Church that is the best chronicler, the most astute observer, and the most persistent advocate of solidarity between the fortunate and the poor. And the Church, as a pervasive mediating presence with a natural emphasis on the common good and the community, proved indispensable in the rise of the middle class both in the United States and in many of the Western industrial nations.¹⁰ In light of the middle class's decline, the Church's teachings—particularly those found in *Caritas in Veritate*—may now provide an equally important guide to its stabilization and refortification.

THE MYTHOLOGY OF THE MIDDLE CLASS

The middle class? As James Joyce reputedly once said of the Catholic Church, "Here comes everybody." In fact, Joyce hit it spot on; it is, after all, the *catholic* Catholic Church. So, too, the middle class. Even workers barely above the poverty line, desperately grasping at the next rung on the tenuous living-wage ladder, often consider themselves middle class. Frequently, they attach the important proviso of the "working" middle class.¹¹ Meanwhile, Robert Reich's "symbolic-analytic" knowledge workers,¹² who include much of the legal profession, have largely transformed perceptions of the middle class into their image and likeness.¹³ And both join a vast swath of society counting itself among these ranks—including the incredibly hard-working small-business owners who often barely make their own proverbial ends meet but who might still appear at the upper range of the nearly limitless spectrum.

The result? "Middle class" apparently includes everyone from single workers earning \$25,000, to comfortable suburban families earning \$250,000.¹⁴ This range encompasses approximately three quarters of the

9. See David L. Gregory, *Catholic Labor Theory and the Transformation of Work*, 45 WASH. & LEE L. REV. 119 (1988).

10. See generally THOMAS E. WOODS, JR., *HOW THE CATHOLIC CHURCH BUILT WESTERN CIVILIZATION* (2005) (arguing that the Church's teachings on economics, charity, international law, morality and law have all influenced Western nations).

11. See ROBERT B. REICH, *THE WORK OF NATIONS: PREPARING OURSELVES FOR 21ST-CENTURY CAPITALISM*, 48–51 (1992) (noting that the middle class is made up of skilled and semi-laborers workers as well as professionals).

12. *Id.* at 177.

13. *Cf. Id.*

14. In fact, President Obama himself has stated his understanding that the middle class includes the small-business sole owner. In an interview between then-Sen. Barack Obama and Bill Hemmer, Obama stated, "You know, what I would say is, if you are making more than \$250,000, than [sic] you're more than middle class. You're doing better. If you are making less than \$250,000, then you are definitely somewhere in the middle class. And if you're making \$150,000 or less, than I think most Americans would agree that you're middle class." Major Garrett, *Obama Defines "Middle Class,"* FOX NEWS, July 28, 2008, <http://bourbonroom.blogs.foxnews.com/2008/07/28/obama-defines-middle-class>. See also Alice Gomstyn, *Obama's Middle Class Tax Credits: What Do They Mean for You?*, ABC NEWS, Jan. 26, 2010, <http://abcnews.go.com/Business/obama->

nation's wage earners, each of whom apparently finds common ground in the kaleidoscopic panorama of the middle class.¹⁵

But today this panorama, an integral part of the mythology and the reality of the American dream, rests against a phantasmagorical backdrop of headlines touting \$100 million bonuses even in the face of popular outrage.¹⁶

CARITAS IN VERITATE—THE GREATEST OF THE LABOR ENCYCLICALS?

In 1967, Pope Paul VI circulated his encyclical *Populorum Progressio*, which addressed "the great theme of the development of peoples with the splendour of truth and the gentle light of Christ's charity."¹⁷ In his own most recent encyclical, *Caritas in Veritate*, Pope Benedict XVI centrally situates Pope Paul's profound contributions to the magnificent body of Catholic social teaching. *Populorum Progressio*, Pope Benedict notes, "repeatedly underlines the urgent need for reform, and in the face of great problems of injustice in the development of peoples, it calls for courageous action to be taken without delay."¹⁸

Pope Benedict builds on this foundation first by assessing the current state of the world economic order, and concomitantly positing charity as the primary counterpoint to greed. He states:

Profit is useful if it serves as a means towards an end that provides a sense both of how to produce it and how to make good use of it. Once profit becomes the exclusive goal, if it is produced by improper means and without the common good as its ultimate end, it risks destroying wealth and creating poverty.¹⁹

However, he warns that even though "[t]he world's wealth is growing in absolute terms, inequalities are on the increase. In rich countries, new sectors of society are succumbing to poverty and new forms of poverty are emerging."²⁰ Furthermore, he observes, "[c]orruption and illegality are unfortunately evident in the conduct of the economic and political

middle-class-tax-credits/story?id=9659186; Editorial, *That Health-Care Tax Pledge*, WALL ST. J., Dec. 17, 2009, at A26.

15. See Cathy Arnst, *Defining the Middle Class*, BUSINESSWEEK, Dec. 31, 2008, http://www.businessweek.com/careers/workingparents/blog/archives/2008/12/defining_the_mi.html.

16. Michael Siconolfi & Ann Davis, *Citi in \$100 Million Pay Clash*, WALL ST. J., July 25, 2009, at A1. See also Pete Young, *Wall Street's \$49.7 Billion Profit Tops Outlook*, BLOOMBERG, Dec. 16, 2009, available at <http://www.bloomberg.com/apps/news?pid=newsarchive&sid=a3tZ1D3oqYWE&pos=6> (noting that bonuses will be two and one-half times greater than in prior 2007 and 2008 in prior years).

17. Benedict, *Caritas*, *supra* note 1, at § 8

18. *Id.* at § 20

19. *Id.* at § 21

20. *Id.* at § 22

class in rich countries, both old and new, as well as in poor ones. Among those who sometimes fail to respect the human rights of workers are large multinational companies as well as local producers."²¹

In the face of these challenges, governments may sometimes adopt relatively efficacious, ameliorative social legislation to protect workers and to regulate otherwise unbridled corporate power. One tangible example in the United States is the Family Medical Leave Act of 1993,²² which allows employees to take up to twelve weeks of leave in any twelve-month period for various reasons, including child birth, to care for a family member or for themselves if they have a serious health condition.²³ However, especially in turbulent economic times, this can be a very difficult and elusive balance to achieve and maintain fairly. Social justice imperatives often come into tension with the capitalist political economy's imperative to maximize profit.

Traditionally, one method of achieving this balance has been via social security systems. However, as Pope Benedict commented, "the market has prompted new forms of competition between States as they seek to attract foreign businesses to set up production centres, by means of a variety of instruments, including favourable fiscal regimes and deregulation of the labour market."²⁴ Pope Benedict notes:

These processes have led to a *downsizing of social security systems* as the price to be paid for seeking greater competitive advantage in the global market, with consequent grave danger for the rights of workers, for fundamental human rights and for the solidarity associated with the traditional forms of the social State.²⁵

This suggests that as the global economic structure continues to evolve, the market cannot simply operate unfettered. Governmental social security programs must be developed and strengthened to root the market in the life and values of the community. As part of this process, Pope Benedict also looks to workers' rights, situating them as fundamental human rights squarely within the larger core principle of the common good.²⁶

21. *Id.*

22. Family and Medical Leave Act of 1993, Pub. L. No. 103-3, 107 Stat. 6 (codified as amended at 29 U.S.C. §§ 2601-2654 (2006)).

23. 29 U.S.C. § 2612 (2009).

24. Benedict, *Caritas*, *supra* note 1, at § 25

25. *Id.*

26. The common good is a classic principle of civic society in the natural order, developed by Aristotle in his *Politics* and refined by St. Thomas Aquinas. See David L. Gregory, *St. Thomas Aquinas, Jacques Maritain, and Law*, 40 CATH. LAW. 381 (2001). In theological terms, the communitarian principle of the common good is also manifest in the Mystical Body of Christ. And in the Gospel of Matthew, Jesus tells us that we are ultimately judged by how we treat the least amongst us. *Mathew* 25:35-40. It is natural to seek the other, for individuals to become integrated persons in family, neighborhood, community, city, state, nation state, and beyond.

Workers who are unionized especially share in an institutional vision of the common good, because they realize that workplace safety and health, fair wages and work opportunities, adequate health care, and retirement and pension security, are all part of an integrated structure that, by its design, has particular solicitude for the least and most vulnerable amongst us. Workers' rights would mean little if grounded solely in Darwinistic individualism. Pope Benedict recognizes this, and in keeping with it he writes:

To love someone is to desire that person's good and to take effective steps to secure it. Besides the good of the individual, there is a good that is linked to living in society: the common good. It is the good of 'all of us,' made up of individuals, families and intermediate groups who together constitute society. It is a good that is sought not for its own sake, but for the people who belong to the social community and who can only really and effectively pursue their good within it.²⁷

At the same time, Pope Benedict, as others before him, recognizes that globalization has presented new challenges worldwide—including for labor unions. As he states:

Through the combination of social and economic change, *trade union organizations* experience greater difficulty in carrying out their task of representing the interests of workers, partly because Governments, for reasons of economic utility, often limit the freedom or the negotiating capacity of labour unions. Hence traditional networks of solidarity have more and more obstacles to overcome.²⁸

In order to overcome these obstacles, Pope Benedict recognizes "the urgent need for new forms of cooperation at the international level, as well as the local level."²⁹ The labor unions themselves must transcend parochial protectionism and develop a greater global consciousness. Indeed, Pope Benedict states that "[w]hile reflecting on the theme of work, it is appropriate to recall how important it is that *labour unions*—which have always been encouraged and supported by the Church—should be open to the new perspectives that are emerging in the world of work."³⁰ Thus labor unions must shift their mission to reflect charity for the greater good. As Pope Benedict writes:

The global context in which work takes place also demands that national labour unions, which tend to limit themselves to defending the interests of their registered members, should turn their attention to those outside their membership, and in particular to

27. Benedict, *Caritas*, *supra* note 1, at § 7

28. *Id.* at § 25

29. *Id.*

30. *Id.* at § 64

workers in developing countries where social rights are often violated. The protection of these workers, partly achieved through appropriate initiatives aimed at their countries of origin, will enable trade unions to demonstrate the authentic ethical and cultural motivations that made it possible for them, in a different social and labour context, to play a decisive role in development.³¹

As social and economic realities, globalization and increasing interconnectedness are here to stay. Yet social collaboration remains possible, and even more necessary in light of these changes. In conjunction with relief of systemic poverty, respect for life, guarantees of religious freedom, and protection for the environment, the theme is woven throughout the encyclical. Pope Benedict encourages organized labor to further these values globally and to advocate for the rights and dignity of all people.

A SYNTHETIC CHRONOLOGY: THE RISE AND FALL—AND THE
END?—OF THE (WORKING) MIDDLE CLASS
AND ORGANIZED LABOR

The Rise of the Middle Class

In 1930, the United States was one year into the Great Depression. The unemployment rate was 25%, 13 million Americans were unemployed, and many major banks completely collapsed.³² Franklin D. Roosevelt was elected president, and he called for sweeping reforms, but a very conservative Supreme Court struck down much of his agenda.³³ Infuriated, he frontally challenged the reactionary majority with his court-packing plan.³⁴ In short order, the Four Horsemen of the Apocalypse, who led the charge against FDR's efforts, retired or died,³⁵ and with several new appointments, the Court's new majority quickly endorsed more finely tuned legislation that included the Wagner Act, new regulations of the banking industry, a work relief program for the unemployed (the Works Progress Administration), the Social Security Act, and increased taxes on business.³⁶

31. *Id.*

32. Joseph Swanson & Samuel Williamson, *Estimates of National Product and Income for the United States Economy, 1919-1941*, 10 *EXPLORATIONS IN ECON. HISTORY* 53, 53-73 (1972).

33. See JESSE H. CHOPER ET AL., *CONSTITUTIONAL LAW: CASES—COMMENTS—QUESTIONS* 77-78 (10th ed. 2006).

34. See CALVIN MASSEY, *AMERICAN CONSTITUTIONAL LAW: POWERS AND LIBERTIES* 178 (2d ed. 2009).

35. Melody Reis & Brett Beheim, *A Theory of Social Formalism: The Four Horsemen and the New Deal*, 2 *LAW & SOC'Y REV.* 85 (2003).

36. See, e.g., *Steward Machine Co. v. Davis*, 301 U.S. 548 (1937) (upholding the Social Security Act program for providing unemployment compensation through new taxes on, and new tax credits for, employers).

During this time period, unions were militant and ascendant.³⁷ In 1935, unskilled and semi-skilled workers flooded into the Congress of Industrial Organizations.³⁸ In Detroit and Flint, Michigan, auto workers staged a particularly poignant example of union power when they seized factories in confrontational sit-down strikes. These workers demanded, and received, wider compliance with the Wagner Act, forcing major industrial corporations to recognize the workers' express legal right to join labor unions.³⁹

On December 30, 1936, the United Automobile Workers (UAW) initiated the largest sit-down strike in history, seizing the General Motors assembly auto factories in Flint.⁴⁰ The strike spread to the factories of Chrysler and Republican Steel. Strikers occupied the General Motors factories for more than 40 days. On January 11, 1937, Flint police tried for more than six hours to enter and reclaim the General Motors factory, but the workers repulsed them with water hoses and flying automobile parts. The unrest finally concluded on February 11, 1937, when Frank Murphy, Michigan's Governor, stepped in as mediator. The result was General Motors' historic recognition of the UAW.⁴¹ Shortly thereafter, FDR appointed Murphy to the Supreme Court, and partially as a result of these developments, in 1938 Congress passed the Fair Labor Standards Act (FLSA), which set minimum wages and standardized a forty-hour work week.⁴² Congress enacted FLSA with one objective: the "elimination of labor conditions detrimental to the maintenance of the minimum standards of living necessary for health, efficiency, and well being of workers."⁴³

Through these and similar activities, the decade before World War II saw the expansion of the middle class into the one we recognize today—the product of a combination of intrepid labor union militancy

37. See NELSON LICHTENSTEIN, *STATE OF THE UNION: A CENTURY OF AMERICAN LABOR* 53, 74, 100–02 (2002). See also JOSHUA B. FREEMAN, *WORKING CLASS NEW YORK: LIFE AND LABOR SINCE WORLD WAR II* (2000) (commenting on the frequency of strikes immediately after World War II).

38. The Congress of Industrial Organizations was formed in 1935 due to the reluctance to organize unskilled and semi-skilled workers. See Ohio Historical Society, *Committee for Industrial Revolution*, OHIO HISTORY CENT., <http://www.ohiohistorycentral.org/entry.php?rec=871>, for a brief history of the CIO.

39. Karl E. Klare, *Judicial Deradicalization of the Wagner Act and the Origins of Modern Legal Consciousness, 1937–1941*, 62 MINN. L. REV. 265, 266 n. 7 (1978).

40. *Id.* See also Vivian M. Baulch & Patricia Zacharias, *The Historic 1936-37 Flint Auto Plant Strikes*, DETROIT NEWS, June 23, 1997, available at <http://apps.detnews.com/apps/history/index.php?id=115>.

41. LICHTENSTEIN, *supra* note 37, at 48–52.

42. Fair Labor Standards Act of 1938, 52 Stat. 1060 (codified as amended at 29 U.S.C. §§ 201–218 (2006)).

43. See *Thompson v. Sawyer*, 678 F.2d 257, 279 (D.C. Cir. 1982) (quoting Fair Labor Standards Amendments of 1974, S. REP. NO. 93-690, at 1–2 (1974); H.R. REP. NO. 93-913 (1974)).

and FDR-supported social justice legislation. During this time living standards for the middle class grew, and life expectancy increased by three years due in part to the availability of three square meals a day.⁴⁴ Meanwhile, the advent of World War II spurred the gross national product nearly to double due to dramatic increases in production demands.⁴⁵ Building on this growth, unions contributed to the middle class's growing successes by bargaining for higher wages and thus a portion of the boom for their members.⁴⁶ And with millions in military service, the unemployment rate fell from 14.6% in 1940 to 1.2% by 1944.⁴⁷

In a further demonstration of these advances, President Roosevelt himself addressed the human condition of the middle class. In 1944, in his State of the Union Address, he proposed a Second Bill of Rights, which, incidentally, is fully congruent with Catholic social teaching, despite the fact that it may appear radical in light of today's standards:

It is our duty now to begin to lay the plans and determine the strategy for the winning of a lasting peace and the establishment of an American standard of living higher than ever before known. We cannot be content, no matter how high that general standard of living may be, if some fraction of our people—whether it be one-third or one-fifth or one-tenth—is ill-fed, ill-clothed, ill-housed, and insecure.

This Republic had its beginning, and grew to its present strength, under the protection of certain inalienable political rights—among them the right of free speech, free press, free worship, trial by jury, freedom from unreasonable searches and seizures. They were our rights to life and liberty.

As our nation has grown in size and stature, however—as our industrial economy expanded—these political rights proved inadequate to assure us equality in the pursuit of happiness.

We have come to a clear realization of the fact that true individual freedom cannot exist without economic security and independence. 'Necessitous men are not free men.' People who are hungry and out of a job are the stuff of which dictatorships are made.

44. LICHTENSTEIN, *supra* note 37, at 57 (citing GEOFFREY PERRETT, DAYS OF SADNESS, YEARS OF TRIUMPH, THE AMERICAN PEOPLE, 1939-1945, at 335 (1985)).

45. See BUREAU OF ECON. ANALYSIS, U.S. DEP'T. OF COMMERCE, ALL NIPA TABLES, <http://www.bea.gov/national/nipaweb/SelectTable.asp> (follow "Table 1.7.5. Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income" hyperlink).

46. LICHTENSTEIN, *supra* note 37, at 57.

47. See BUREAU OF LABOR STATISTICS, U.S. DEP'T OF LABOR, EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION, 1940 TO DATE, <http://www.bls.gov/cps/cpsaat1.pdf>.

In our day these economic truths have become accepted as self-evident. We have accepted, so to speak, a second Bill of Rights under which a new basis of security and prosperity can be established for all—regardless of station, race, or creed.

Among these are:

The right to a useful and remunerative job in the industries or shops or farms or mines of the nation;

The right to earn enough to provide adequate food and clothing and recreation;

The right of every farmer to raise and sell his products at a return which will give him and his family a decent living;

The right of every businessman, large and small, to trade in an atmosphere of freedom from unfair competition and domination by monopolies at home or abroad;

The right of every family to a decent home;

The right to adequate medical care and the opportunity to achieve and enjoy good health;

The right to adequate protection from the economic fears of old age, sickness, accident, and unemployment;

The right to a good education.

All of these rights spell security. And after this war is won we must be prepared to move forward, in the implementation of these rights, to new goals of human happiness and well-being.

America's own rightful place in the world depends in large part upon how fully these and similar rights have been carried into practice for our citizens.⁴⁸

More than a year after FDR delivered his address, on May 8, 1945, the Allied Powers declared Victory in Europe Day (V-E Day). On September 2, 1945, Japan formally signed its surrender to the Allied Powers, ending World War II. The beneficial economic effects of the war in the United States continued into 1946 because federal spending remained high.⁴⁹ The GI Bill of Rights helped keep unemployment rates down⁵⁰ by offering approximately 16 million veterans unemployment compensation, college tuition, and affordable loans for housing.⁵¹ Additionally,

48. President Franklin D. Roosevelt, State of the Union Address (Jan. 11, 1944), in 13 THE PUBLIC PAPERS AND ADDRESSES OF FRANKLIN D. ROOSEVELT 32–42 (Samuel I. Rosenman ed., 1950).

49. See USGOVERNMENTSPENDING.COM, FEDERAL SPENDING, STATE AND LOCAL PUBLIC SPENDING FOR 1945, http://usgovernmentspending.com/year1945_0.html.

50. The unemployment rate in 1945 was only 1.9%. In 1946 the unemployment rate rose to 3.9%, where it remained until 1948. See BUREAU OF LABOR AND STATISTICS, *supra* note 47.

51. See U.S. Dep't of Veterans Affairs, *Born of Controversy: The GI Bill of Rights*, Nov. 6, 2009, http://www.gibill.va.gov/GI_Bill_Info/history.htm.

women returned to their homes to continue life as it was before the war, helping reduce the unemployment rate further. The GI Bill, affordable loans, and secondary income from wives earned during the War, meant that the middle class now had more money to spend and was living more comfortably than before.

Despite these gains, new challenges soon arose for the American workforce and the difficulties of realizing FDR's dream became manifest. Congress lifted the wartime price controls, and consequently, inflation quickly became a major, chronic problem.⁵² Production sharply declined, as the government no longer needed supplies for the war.⁵³ Meanwhile, companies reduced overtime hours and workers' pay. This caused unions to mount a series of strikes, most notably strikes for increased wages in the automobile, steel, coal, and railroad industries.⁵⁴ In all, over 4.5 million American workers went on strike the year after the war ended.⁵⁵

In response, in 1947 the Republican-controlled Congress enacted the Taft-Hartley Act over President Truman's veto.⁵⁶ The controversial, pro-employer legislation created union unfair labor practices, and prohibited secondary boycotts, closed shops, and jurisdictional, wildcat and political strikes.⁵⁷ This anti-union legislation significantly constrained the power of the unions.

*The 1950s and 60s: Labor's Zenith, the Golden Age
of the (White Male) Middle Class, and the
Arrival of Turbulent Times*

By the mid-1950s more than one-third of the nation's work force was unionized.⁵⁸ In 1955, the AFL and the CIO merged to form the AFL-CIO, becoming the largest union coalition in the United States.⁵⁹

52. See INFLATIONDATA.COM, HISTORICAL US INFLATION RATE 1914-PRESENT, http://inflationdata.com/inflation/Inflation_Rate/HistoricalInflation.aspx?dsInflation_currentPage=5 (last visited June 25, 2010); BUREAU OF LABOR STATISTICS, CONSUMER PRICE INDEX: ALL URBAN CONSUMERS: U.S. CITY AVERAGE, <ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.txt> (last visited June 25, 2010).

53. Government consumption expenditures and gross investment went from a peak of \$105.3 billion in 1944 to a low of \$36.3 billion in 1947. BUREAU OF ECON. ANALYSIS, *supra* note 45 (follow "Table 1.1.5. Gross Domestic Product" hyperlink).

54. See NATIONAL LABOR RELATIONS BOARD, THE FIRST SIXTY YEARS: THE STORY OF THE NATIONAL LABOR RELATIONS BOARD: 1935-1995, 15-20 (1995), *available at* http://www.nlrb.gov/nlrb/shared_files/brochures/60yrs_15-20.pdf.

55. KIM MOODY, AN INJURY TO ALL: THE DECLINE OF AMERICAN UNIONISM 18 (1988).

56. NATIONAL LABOR RELATIONS BOARD *supra* note 54, at 20.

57. ARCHIBALD COX ET AL., LABOR LAW: CASES AND MATERIALS FOURTEENTH EDITION 80-85 (14th ed. 2006).

58. JAMES D. GWARTNEY ET AL., ECONOMICS: PRIVATE & PUBLIC CHOICE 726 (12th ed. 2008).

59. See AFL-CIO, Labor History Timeline 1946-1968, <http://www.aflcio.org/aboutus/history/history/timeline.cfm> (last visited June 25, 2010).

Concomitantly, the industrial middle class began leaving the core urban cities for the suburbs; the white working middle class stampeded, and quickly left the core cities to racial minorities. This aggravated lingering social inequalities, but it did not prevent the period from being generally prosperous. Unemployment stood at 4.12% in 1956—as opposed to the 25% rate of the early 1930s—and every family now aspired to own a television.⁶⁰ It was a far cry from the misery of the Great Depression two decades earlier.

Then came the 1960s. The Cold War—marked by the specters of the Soviet Union, planned socialist economies, and nuclear holocaust—nearly went hot with the Cuban Missile Crisis in the fall of 1962. Meanwhile, the United States' troop involvement in Vietnam tripled in 1961, and approximately doubled every year thereafter until it peaked in 1968 at 543,000.⁶¹

On the labor front, the 1960s considerably expanded protections for the right of workers to be free from unlawful discrimination. Prominent social leaders such as the Rev. Dr. Martin Luther King, Jr. included themes of labor justice in their messages, and stressed the international themes of dignity for all workers and solidarity with the poor and oppressed worldwide. They called for equality, the right to vote, and the right to work. And just under one year after Dr. King gave his famous "I Have a Dream" speech before an estimated 250,000 demonstrators gathered in front of the Lincoln Memorial, President Johnson signed into law the Civil Rights Act on July 2, 1964.⁶² In addition to outlawing discrimination in public accommodations, public places, and public schools, Title VII of the Act prohibited employers from discriminating on the basis of race, color, religion, sex or national origin.⁶³ It quickly became a cornerstone federal law alongside the National Labor Relations Act of 1935,⁶⁴ FLSA, and the Equal Pay Act of 1963.⁶⁵

However, economic troubles persisted. In 1963 the national poverty rate was 15.9%.⁶⁶ On January 8, 1964, Lyndon B. Johnson, during his State of the Union address, pronounced this wholly unacceptable. He

60. BUREAU OF LABOR STATISTICS, *supra* note 47.

61. Vincent H. Demma, *The U.S. Army in Vietnam*, in AMERICAN MILITARY HISTORY 619 (Morris J. MacGregor ed., 1988), available at <http://www.history.army.mil/books/AMH/AMH-28.htm>.

62. Civil Rights Act of 1964, Pub. L. No. 88-352, 78 Stat. 241 (codified as amended in scattered sections of 28 U.S.C. and 42 U.S.C. (2006)).

63. *Id.* at tit. VII, § 703 (codified at 42 U.S.C. § 2000e-2 (2006)).

64. 49 Stat. 449 (codified as amended at 29 U.S.C. §§ 151-169 (2006)).

65. Pub. L. No. 88-38, 77 Stat. 56 (codified as amended at 29 U.S.C. § 206(d) (2006)).

66. U.S. BUREAU OF THE CENSUS, HISTORICAL POVERTY TABLES, TABLE 4: POVERTY STATUS OF FAMILIES, BY TYPE OF FAMILY, PRESENCE OF RELATED CHILDREN, RACE, AND HISPANIC ORIGIN: 1959 TO 2006, <http://www.census.gov/hhes/www/pov-erty/histpov/famindex.html>.

declared a War on Poverty and quickly signed into law the Economic Opportunity Act, creating social programs for the welfare of the poverty stricken.⁶⁷ The Social Security Amendments of 1965 soon followed, creating the Medicare and Medicaid programs, which ensured health insurance for the elderly and for citizens below the poverty line.⁶⁸ These systems also helped secure the middle class.

*The 1970s: The Beginning of the
Fall of the Middle Class*

What began in the 1960s bore fruit in the 1970s. The Vietnam War proved to be among the most culturally divisive events since the Civil War a century earlier. Due to the war effort, inflation and government debt were on the rise.⁶⁹ On August 15, 1971, Richard Nixon imposed numerous economic measures designed to revive the economy: a surcharge of 10% on all imports; a 90-day price freeze; and, most significantly, he took the United States off the gold standard imposed by the Bretton Woods System.⁷⁰ Despite these measures, the economy worsened, with recessions induced by gasoline price shocks generated by the OPEC cartel in retaliation for the United States' support of Israel during the Yom Kippur War in October of 1973. Not long after, Chrysler Corporation was effectively bankrupt—an eerie omen for the future collapse of the Detroit Big Three.⁷¹

*The Reagan Era and the Beginning of the
End of the Middle Class*

On January 20, 1981, President Ronald Reagan took office, setting the stage for a decade of deregulation. Within eight days of assuming office, Reagan issued Executive Order 12,287, which ended US price controls on domestic oil.⁷² In 1982 he followed this by signing the most significant of these efforts, the Garn-St. Germain Depository Institutions Act, which stripped oversight of the savings and loan industry.⁷³ Rea-

67. During his first State of the Union Address, Lyndon Johnson stated, "This administration today, here and now, declares unconditional war on poverty in America. I urge this Congress and all Americans to join with me in that effort." 1 PUB. PAPERS 1 (January 4, 1965). Economic Opportunity Act of 1965, Pub. L. 88-452, 78 Stat. 508 (codified as amended in scattered sections of 42 U.S.C. (2006)).

68. Social Security Amendments of 1965, Pub. L. No. 89-97, 79 Stat. 286 (codified as amended at scattered sections of 42 U.S.C. (2006)).

69. See *supra* note 52.

70. Richard Nixon, Address to the Nation Outlining a New Economic Policy: "The Challenge of Peace," 1971 PUB. PAPERS 886 (Aug. 15, 1971).

71. Scott J. Wilson, *Chrysler Faces Uncertainty, but It's Seen Bumpy Roads Before*, L.A. Times, May 2, 2009, at B4.

72. Exec. Order No. 12,287, 3 C.F.R. 124 (1981).

73. Pub. L. No. 97-320, 96 Stat. 1469 (codified as amended at scattered sections of 12 U.S.C. (2006)).

gan's efforts allowed savings and loan associations to act with the power of a bank while remaining largely immune from bank regulations. This resulted in many Associations making risky, unsafe loans, at ever increasing rates.⁷⁴ And when interest rates rose dramatically, causing many borrowers to default, the collapse of this industry became a certainty.⁷⁵ More than 700 associations failed, leaving it to the federal government—that is, the taxpayers—to spend hundreds of billions of dollars to absorb their liabilities. The failures nearly brought the American economy to its knees.⁷⁶

At the same time, President Reagan effectuated major tax reductions, which lay at the core of a political ideology hostile to activist government. The Economic Recovery Tax Act of 1981 and the Tax Reform Act of 1986—both of which amended the Internal Revenue Code of 1954—became centerpieces of his domestic agenda.⁷⁷ The top individual marginal tax rate was reduced from 70% in 1980 to 50% in 1982, where it remained until the Tax Reform Act of 1986 reduced it in 1988 to 28%.⁷⁸

The wealthy elites clearly were the primary beneficiaries of the Reagan tax reduction regime. Meanwhile, the middle-class Reagan Democrats, many of whom were union members, rather quickly grew disillusioned by Reagan's problematic attitude toward any significant manifestations of worker militancy. The administration's anti-labor ideology was most prominently exemplified by the crushing of the Professional Air Traffic Controllers Organization (PATCO) strike in August, 1981.⁷⁹ Reagan declared the strike a "peril to national safety," and ordered all strikers to return to work immediately.⁸⁰ When approxi-

74. Paul Krugman, Op-Ed, *Reagan Did It*, N.Y. TIMES, June 1, 2009, at A21.

75. Throughout the early 1980s the prime rate hovered around 2%. In comparison, today's prime rate is 3.25%. See Mortgage News Daily, Current Mortgage Charts, http://www.mortgagenewsdaily.com/mortgage_rates/charts.asp (last visited June 25, 2010) (offering historical graphs of the prime and national average mortgage rates).

76. Exactly 747 savings and loan associations were closed or merged. See Timothy Curry & Lynn Shibut, *the Cost of the Savings and Loan Crisis: Truth and Consequences*, 13 FDIC BANKING REV. 26, 27 (2000), available at http://www.fdic.gov/bank/analytical/banking/2000dec/brv13n2_2.pdf.

77. Economic Recovery Tax Act of 1981, Pub. L. No. 97-34, 95 Stat. 172 (codified as amended in scattered sections of the I.R.C.); Tax Reform Act of 1986, Pub. L. No. 99-514, 100 Stat. 2085 (codified in scattered sections of the I.R.C.).

78. For historical tax rate information, see INTERNAL REVENUE SERV., PERSONAL EXEMPTIONS AND INDIVIDUAL INCOME TAX RATES, 1913-2002, available at <http://www.irs.gov/pub/irs-soi/02inpetr.pdf>. Reagan's tax rates were the lowest since 1931.

79. Kathleen Schalch, *1981 Strike Leaves Legacy for American Workers*, NATIONAL PUBLIC RADIO, August 3, 2006, available at <http://www.npr.org/templates/story/story.php?storyId=5604656>.

80. Federal law allows the president to "direct the Attorney General to petition any district court of the United States . . . to enjoin such strike or lock-out or the continuing thereof, if the court finds that such threatened or actual strike or lock-out. . . will

mately 90% of the air traffic controllers nevertheless remained on strike, Reagan fired 11,345 controllers.⁸¹

At the same time, the relative prosperity of the Reagan years (once one discounts, of course, the deep Federal Reserve Board-induced recession to break the back of stagflation) was not a stable, linear progression.⁸² The October 19, 1987, stock market crash reminded everyone that while happy days may have made a bit of an appearance in the mid-80s, there could be no guarantees of infinite progress. Indeed, the Dow Jones Industrial Average dropped by 508 points (22.61%) in one day.⁸³ The economic cycle had most definitely not been repealed.

*1988-Present: From Bush to Clinton to Bush to
Obama—the Death (and Resurrection?)
of the Middle Class*

As this essay is completed in 2010, the end of the Great Recession is widely heralded, given the supposedly good news that the official unemployment rate is now a mere 9.3%, with the economy growing at the fastest pace experienced in the better half of a decade.⁸⁴ Preposterous. The effective un- and under-employment rate is as much as twice that.⁸⁵ In fact, in Detroit the unemployment rate is higher than it was nationally for a good portion of the Great Depression.⁸⁶ Internationally, Greece is teetering on default, and its collapse could well help take down the Euro and the European Union.⁸⁷ Beyond the EU, both England and Japan may soon follow Greece into the economic abyss. Meanwhile, China and India are emerging world commercial and technology powers, and funda-

imperil the national health or safety.” 29 U.S.C. § 178 (2000). However, Reagan used the phrase “peril to national safety.” See Schalch, *supra* note 79.

81. *Unhappy Again, The air controllers reorganize*, TIME, Oct. 6, 1986, available at <http://www.time.com/time/magazine/article/0,9171,962487,00.html>.

82. Julie Wolf, *People & Events: The 1982 Recession*, PBS HOME, available at <http://www.pbs.org/wgbh/amex/reagan/peopleevents/pande06.html>.

83. Lawrence J. De Maria, *Stocks Plunge 508 Points, a Drop of 22.6%; 604 Million Volume Nearly Doubles Record*, N.Y. TIMES, at A1.

84. 9.3% was the official unemployment rate for May, 2010. See Press Release, U.S. Dep’t of Labor, Metropolitan Area Employment and Unemployment—May 2010 (June 30, 2010).

85. See, e.g., Steve Clemons, *America’s Effective Unemployment Rate at 18.7%?*, WASH. NOTE, July 2, 2009, http://www.thewashingtonnote.com/archives/2009/07/americas_effect.

86. Compare Mike Wilkinson, *Nearly Half of Detroit’s Workers Are Unemployed*, DETROIT NEWS, Dec. 16, 2009, at A1, with Robert VanGiezen & Albert E. Schwenk, *Compensation from Before World War I Through the Great Depression*, COMPENSATION AND WORKING CONDITIONS (Fall 2001), available at <http://www.bls.gov/opub/cwc/cm20030124ar03p1.htm>.

87. Dan Bilefsky, *3 Reported Killed as Violent Groups Overtake Athens Protests*, N.Y. TIMES, May 5, 2010, at A6.

mentalist Islam threatens to bomb American capitalism, or at least whatever is left of it, into the seventh century.

But that is hardly the extent of the changes underway. Computer-mediated technology has become virtually ubiquitous in the past two decades, and has dramatically transformed our social, political, and economic realities. IBM launched its first personal computer in 1981;⁸⁸ Apple launched the first Macintosh in 1984.⁸⁹ Despite the dot-com stock bubble burst on March 10, 2000,⁹⁰ the inexorable truth is that computer technology and the universe of cyberspace are here to stay. This rapid metamorphosis of technology merely reflects the momentum of change not just in American society, but globally. In 2004, the ratio of home prices to income had risen to 4.0. By 2006, the ratio was 4.6.⁹¹ That year housing prices began to drop as interest rates began to rise.⁹² And just three years later—by late 2009—one out of every four residential mortgages in the United States was “under water” (i.e. the mortgage exceeds the value of the residence).⁹³ In September, 2008, the residential real estate collapse was one of a number of elements contributing to the near-total collapse of the international banking system.⁹⁴

Would any of these profound challenges in the world of 2010 be recognizable to FDR? To Pope Leo XIII? To Pope Pius XI, who, in 1931 promulgated *Quadragesimo Anno*, celebrating the fortieth anniversary of *Rerum Novarum*, the first of the great labor encyclicals? Would the encyclicals of 1891 and 1931 really capture the challenges facing workers in 2010?

In part they certainly would, for the encyclical letters endeavored to make the timeless timely. However, globalization, the proliferation of computer technology, and other forms of hyper productivity provide both challenges and opportunities that the Industrial Revolution and its

88. IBM, IBM Archives: 1981, http://www-03.ibm.com/ibm/history/history/year_1981.html, (last visited June 25, 2010).

89. Erik Sandberg-Diment, *Personal Computers; Hardware Review: Apple Weighs In with Macintosh*, N.Y. TIMES, Jan. 24, 1984, at C3.

90. Paul Vigna, *Ten Years After*, MARKET TALK, Mar. 10, 2010, <http://markettalk.newswires-americas.com/?tag=dot-com-bubble>; Laura M. Holson & Saul Hansell, *The Maniac Markets—The Making of a Market Bubble*, N.Y. TIMES, Apr. 23, 2000, at C1.

91. Ben Steverman & David Bogoslaw, *The Financial Crisis Blame Game*, BUSINESSWEEK, Oct. 18, 2008, available at http://www.businessweek.com/investor/content/oct2008/pi20081017_950382.htm.

92. Bill Fleckenstein, *The Housing Bubble has Popped*, MSN MONEY, Apr. 24, 2006, <http://moneycentral.msn.com/content/p149596.asp>.

93. Dina ElBoghdady & Sarah Cohen, *The Growing Foreclosure Crisis*, WASH. POST, Jan. 17, 2009, at A1.

94. Scott S. Powell & David Lowry, *Facing the Next Real-Estate Collapse*, N.Y. POST, Sept. 18, 2009, http://www.nypost.com/p/news/opinion/opedcolumnists/item_5NbxfBoP3xbtOH9TGmTO; Ruth Mantell, *Home Prices Off Record 18% in Past Year*, *Case Schiller Says*, MARKETWATCH, Dec. 30, 2008, <http://www.marketwatch.com/story/home-prices-off-record-18-in-past-year-case-schiller-says>.

aftermath could not begin to portend. Michael Moore's most recent film, *Capitalism: A Love Story*, powerfully concludes with FDR delivering his proposed Second Bill of Rights in his State of the Union address in 1944. Alas, life often does not imitate art. Virtually none of FDR's 1944 proposal has yet been realized. Indeed, FDR and Popes Leo XIII and Pius XI would certainly be saddened and disappointed, and more than a little surprised, to see that so much of the timeless yearning for human dignity remains unfulfilled more than sixty years after the end of the Second World War—despite all of our other advances.

The initial chapters of the Great Recession have only begun to be written. But the enormous literature that will follow the rise and fall of the middle class will also witness a capitalism that has metastasized and mutated into forms that even the most sophisticated capitalists do not pretend to understand. In brief, the financial world as we know it has changed. The questions are: Has it changed for the better or worse? And how will the middle class fare?

CONCLUSION

The middle class has always had a high degree of plasticity to its membership, putative and otherwise. But even in the middle of economic chaos, the *myth* of the middle class continues cogently and clearly to present itself as a cornerstone of the American dream. The middle class is not simply most of the nation's population. It is freighted with political and social ideology, conjuring the supposed Golden Age of the 1950s—liking Ike, Pat Boone, Father Knows Best, Ward, June, Wally, and the Beaver.⁹⁵ In the face of this construct, the current state of the middle class can be reduced to a few core questions: Are we inexorably consigned to be a nation of minimum-wage Wal-Mart greeters? Or can we somehow reclaim the mythic truth of the Working Middle Class? More important, can we reclaim human dignity, the pride associated with the ability to receive wages sufficient to provide for our families? This tension is more than ever exemplified by the exorbitant number of individuals losing their homes.⁹⁶

The rise of the middle class was interwoven with the rise of the organized labor movement. It was a direct result of dauntless labor union determination and social justice awareness. The fall, and perhaps imminent demise, of the middle class is likewise tied to the decline of the private sector unionized work force. The illusion of being able to receive

95. This is, of course, a decidedly white-face cosmetic over the truth of the modern civil rights movement—from the Rev. Dr. Martin Luther King, Jr. and Malcolm X to Little Richard and Chuck Berry—the seeds of contemporary feminism (Mother often knew better than Father, it turns out), and Vietnam.

96. Barbara Kiviat, *Q&A: The Outlook for Home Foreclosures*, TIME, Nov. 3, 2009, <http://www.time.com/time/business/article/0,8599,1934225,00.html>.

more for less can only be maintained when labor is sidelined and social consequences are ignored. Recently, ethics and the notion of common good have been thrown to the side of the road. But this may yet change. The deregulatory regimes of the past three decades are now giving way to a dramatically enhanced regulatory state, as the people and their tribunes seek to make examples of the bankers who swindled them from their money.

So how might labor see itself in the forthcoming regulatory era? Will it remain an independent voice? Or will it be relegated to a bureaucratized and compartmentalized regime?

One core social and political truth remains: labor and capital need one another. But, at the end of the proverbial day, as Pope Leo XIII first stated so eloquently in 1891 in *Rerum Novarum*, capital serves labor.⁹⁷ Capital is a means of ameliorating the human condition, and every person and every social order must always bear in mind that human beings—labor—are the end in and of themselves. Labor is always a subject, never an object. Regimes that reduce labor to means in service of capital are, sooner rather than later, destined to lose any meaningful sense of autonomy, dignity, and freedom. A society without a free and viable organized labor movement is destined to not long be a free society. The rise and the fall of the middle class are directly correlated to the rise and the fall of the organized labor union movement in this country. The decline of the middle class, well-established during the 1950s when more than one-third of the nation's work force was unionized, mirrored the declines experienced during the subsequent decades by organized labor—as epitomized by President Reagan's firing more than 11,000 union member air traffic controllers. To solve the one riddle is to solve the other. To resuscitate and rejuvenate the one is to reinvigorate the other. To stand by fatalistically is to doom them both, and to be irreparably and mortally harmed by the ramifications of the fall of the middle class and the corresponding fall of the house of labor.

This is a truth best told through the eyes of the last half-century, with special focus on the media's newest fascination, Detroit, the Motor City.⁹⁸ Founded in 1701, Detroit was for a generation marked by a strong middle class supported by vigorous unions. By 1950, it had a

97. See Pope Leo XIII, *Rerum Novarum: Encyclical of Pope Leo XIII on Capital and Labor* (May 15, 1891).

98. The fascination with Detroit is so strong that Time, Inc. recently bought a 95-year-old house on Parker Avenue in the West Village. Time's reporters will live in this house while covering Detroit City. See Tom Walsh, *How Time Decided to Move in to Tell Detroit's Stories*, DETROIT FREE PRESS, Jan. 10, 2010, at B1; Daniel Okrent, *Detroit: The Death—and Possible Life—of a Great City*, TIME, Sept. 24, 2009, available at <http://www.time.com/time/nation/article/0,8599,1925796,00.html>.

population approaching two million.⁹⁹ Today that number has fallen, perhaps inexorably, below one million inhabitants.¹⁰⁰ The social and economic and human devastation is immense and immeasurable.¹⁰¹ While the end of the twenty-first century's first depression is widely being proclaimed as imminent, the middle-class experience, particularly in Detroit, is living proof of the contrariness of that notion. Detroit's "official" unemployment rate approaches 30%, with other estimates far exceeding that—a beyond-Grapes-of-Wrath auger for the nation, perhaps?¹⁰²

Progress is a problematic, debatable, and ambiguous notion. The twentieth century, for instance, was at once the most technologically advanced and the most murderous in human history. Now, at the beginning of the twenty-first, the pace of life globally is ever-accelerating, and is driven by many factors including, but also transcending, technology. Global developments are certainly beyond the limited capacity of any one nation state to control. Recognizing this, Pope Benedict, in *Caritas in Veritate*, echoes Pope Paul VI in calling for more effective public authority on a global basis.¹⁰³ Whether through the United Nations (not likely, as currently situated) or otherwise, Pope Benedict understands that we will either move inexorably to a world community based on love, or otherwise fall further into the abyss of the culture of death. The stakes are that enormous. In the midst of this, the shredded middle class in the United States has much to gain, even more to lose, and, hopefully, even more to positively contribute.

In this environment, *Caritas in Veritate* does not presume to prescribe any particular economic agenda. But as with all the great encyclicals, it provides an astute assessment of the human condition and of human aspirations. In so doing, it just might provide the catalytic moti-

99. Detroit's population peak occurred in 1950 with 1,849,568 inhabitants. See ARTHUR M. WOODFORD, *THIS IS DETROIT: 1701–2001*, at 160 (2001).

100. U.S. BUREAU OF THE CENSUS, STATE & COUNTY QUICKFACTS, DETROIT (CITY), MICHIGAN, <http://quickfacts.census.gov/qfd/states/26/2622000.html> (last visited June 25, 2010).

101. Ron French & Mike Wilkinson, *Eight-Year Population Exodus Staggers State*, DETROIT NEWS, Apr. 2, 2009, at 1A.

102. Wilkinson, *supra* note 56. Paradoxically, as Detroit has fallen, foreign automakers—led by Toyota—should now be celebrating world dominance. Yet Toyota spent much of the beginning of 2010 collapsing via a humiliating series of product defects that the company endeavored first to cover up, then deny, and, finally, admitted to the world. President Toyoda ashamedly testified before the United States Congress, admitting that the quest for greater profit blinded the company to the broader social realities and to the dignity of the customer as human being. See *Toyota President Says Recall-Hit Firm "Grew Too Fast"*, BBC NEWS, Feb. 23, 2010, available at <http://news.bbc.co.uk/2/hi/business/8529950.stm>. The Toyota fiasco resonates with the essence of Catholic social teaching—acts have moral consequences, a lesson painfully and periodically relearned in history.

103. Pope Benedict XVI, *Caritas in Veritate*, *supra* note 1, at § 24.

vation for a renewed and inspired labor movement, thereby bringing about a renewed rise of the middle class.